



Hamilton Lane



Los Angeles City Employees' Retirement System

Fourth Quarter 2012 Performance Update

May 2013

Agenda

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2012 Performance

Portfolio

- LACERS' Portfolio added seven new partnerships in 2012 totaling \$166.7 million in commitments
- As of December 31, 2012, the Core Portfolio accounts for 92% of total commitments and 89% of total market value

Performance

- Performance in 2012 was strong with all four quarters generating gains
- The Aggregate Portfolio, led by the performance of the Core Portfolio, has a since inception IRR of 10.70% up 32 bps from year end 2011
- The Specialized Portfolio's since inception return turned positive in the 4th quarter of 2011 and has maintained consistency generating a 2.12% IRR as of December 31, 2012

Cash flows

- The Aggregate Portfolio had net cash inflows of \$94.8 million in 2012
- Distributions increased throughout the year with Q4 being the single highest one quarter total in the Portfolio's history

Aggregate Portfolio Snapshot ⁽¹⁾			
\$ millions	12/31/2011	12/31/2012	Net Change
Active Partnerships	154	161	7
Active GP Relationships	82	87	5
Capital Committed ⁽²⁾	\$2,363.8	\$2,530.5	\$166.7
Unfunded Commitment	\$613.0	\$575.9	(\$37.1)
Paid-in Capital	\$1,834.2	\$2,062.6	\$228.4
Capital Distributed	\$1,347.4	\$1,670.7	\$323.2
Market Value	\$1,167.7	\$1,233.3	\$65.6
Total Value Multiple	1.37x	1.41x	0.04x
Core Portfolio Since Inception IRR	10.74%	11.19%	45 bps
Avg Age of Commitments	6.4 years	7.0 years	0.6 years
Specialized Portfolio Since Inception IRR	0.68%	2.12%	144 bps
Avg Age of Commitments	4.7 years	5.6 years	0.9 years
Overall Since Inception IRR ⁽²⁾	10.38%	10.70%	32 bps

⁽¹⁾ Includes "Core" and "Specialized" private equity portfolios

⁽²⁾ The "change" from fourth quarter of 2011 to fourth quarter of 2012 reflects the actual commitments made by the Portfolio +/- currency movements in the Portfolio's existing non-USD denominated funds.

- Aggregate Portfolio has grown over the past year adding seven new partnerships, all of which were made in the Core Portfolio
- Performance has improved as the Portfolio has grown - since inception IRR has increased 32 bps

Core Portfolio Snapshot			
\$ millions	12/31/2011	12/31/2012	Net Change
Active Partnerships	131	138	7
Active GP Relationships	64	69	5
Capital Committed ⁽¹⁾	\$2,165.6	\$2,332.3	\$166.7
Unfunded Commitment	\$560.7	\$538.1	(\$22.6)
Paid-in Capital	\$1,676.2	\$1,889.9	\$213.7
Capital Distributed	\$1,316.0	\$1,616.8	\$300.8
Market Value	\$1,038.3	\$1,102.4	\$64.1
Total Value Multiple	1.40x	1.44x	0.04x
Since Inception IRR	10.88%	11.19%	31 bps
Avg Age of Commitments	6.4 years	7.0 years	0.6 Years

⁽¹⁾ The "change" from fourth quarter of 2011 to fourth quarter of 2012 reflects the actual commitments made by the Portfolio +/- currency movements in the Portfolio's existing non-USD denominated funds.

Specialized Portfolio Snapshot			
\$ millions	12/31/2011	12/31/2012	Net Change
Active Partnerships	23	23	-
Active GP Relationships	19	19	-
Capital Committed ⁽¹⁾	\$198.2	\$198.2	-
Unfunded Commitment	\$52.3	\$37.8	(\$14.5)
Paid-in Capital	\$158.0	\$172.7	\$14.7
Capital Distributed	\$31.5	\$53.9	\$22.4
Market Value	\$129.4	\$130.9	\$1.5
Total Value Multiple	1.02x	1.07x	0.05x
Since Inception IRR	0.68%	2.12%	144 bps
Avg Age of Commitments	4.7 years	5.6 years	0.9 Years

- Both the Core and Specialized Portfolio generated strong performance over the past year
- Cash flows were robust with distributions outweighing contributions in both portfolios
- Market value still grew as a result of unrealized appreciation from underlying investments

2012 Allocation			
Closing Date	Partnership	Investment Strategy	Commitment Amount
Core Portfolio			
6/21/2012	Coller International Partners VI, L.P.	Secondaries	\$25.0
6/29/2012	Advent International GPE VII-B, L.P.*	Buyout - Large	\$30.0
8/14/2012	Platinum Equity Capital Partners III, L.P.	Buyout - Large	\$25.0
8/15/2012	FIMI Opportunity V, L.P.	Buyout - Small	\$20.0
9/14/2012	AION Capital Partners Ltd.	Special Situation	\$20.0
10/26/2012	SSG Capital Partners II, L.P.	Distressed Debt	\$15.9
12/19/2012	EnCap Energy Capital Fund IX, L.P.*	Buyout - Large	\$30.0
1/22/2013	TCV VIII, L.P.*	Growth Equity	\$30.0
			\$195.9

** Commitments to NEA 14, L.P. and Spark IV, L.P. were declined as a result of legal constraints in side letter negotiations

2013 Activity			
Closing Date	Partnership	Investment Strategy	Commitment Amount
Core Portfolio			
4/11/2013	Insight Venture Partners VIII, L.P.		\$20.0
4/12/2013	KPS Special Situations Fund IV, L.P.		\$25.0
			\$45.0

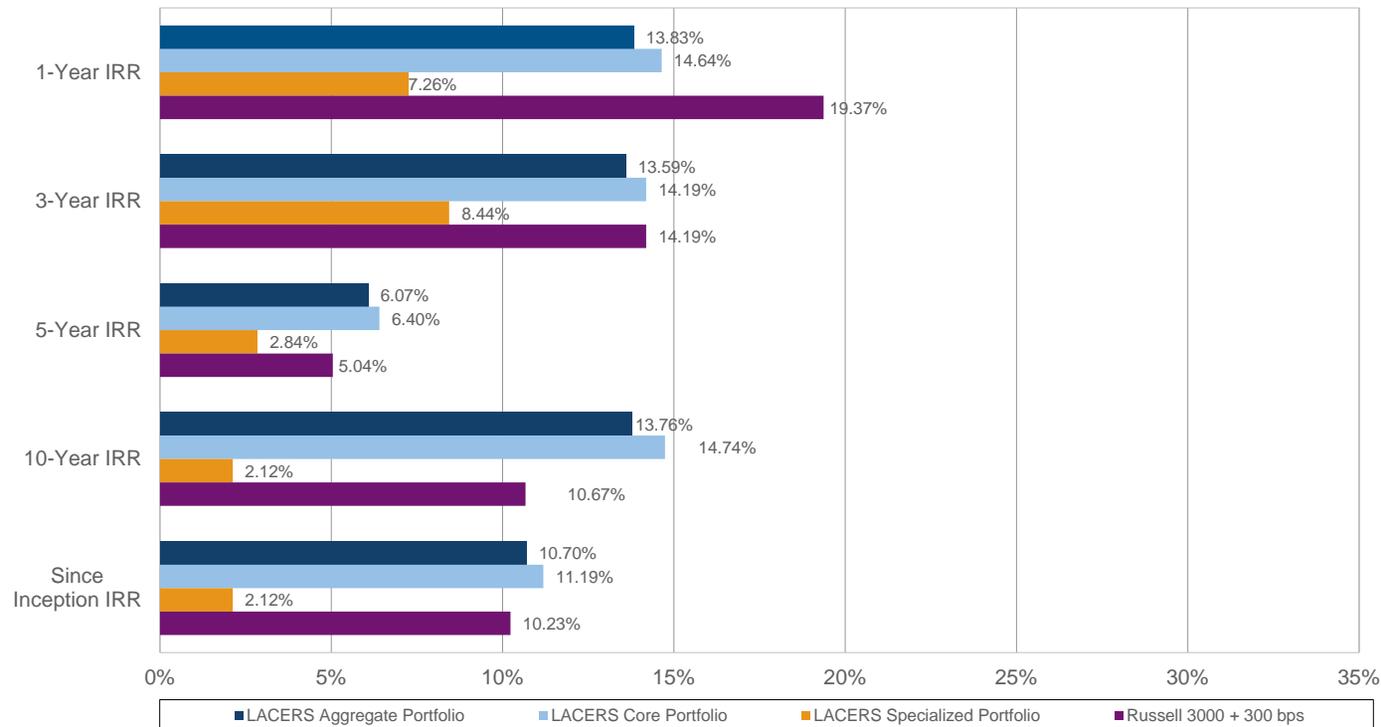
* Existing GP relationship

- 2012 commitments reflect objectives identified in the Annual Strategic Plan
 - Reduce mega exposure - no new commitments
 - Look for opportunities outside the US and Europe - AION, SSG and FIMI
 - Consider Secondary Opportunities - Coller
- 2013 pipeline robust – includes additional \$155m (6 funds) of HL/Staff approved commitments through end of June

Aggregate Portfolio Summary					
	Quarter Ending				Year Ending
in \$ millions	3/31/2012	6/30/2012	9/30/2012	12/31/2012	12/31/2012
Beginning Market Value	\$1,167.7	\$1,256.7	\$1,242.2	\$1,249.2	\$1,167.7
Paid-in Capital	59.6	46.7	40.9	81.2	228.4
Distributions	(39.0)	(71.6)	(74.7)	(137.9)	(323.2)
Net Value Change	68.4	10.4	40.8	40.8	160.4
Ending Market Value	\$1,256.7	\$1,242.2	\$1,249.2	\$1,233.3	\$1,233.3
Unfunded Commitments	\$557.8	\$567.9	\$600.2	\$575.9	\$575.9
Total Exposure	\$1,814.5	\$1,810.1	\$1,849.4	\$1,809.2	\$1,809.2
Point-to-Point IRR - Core	6.03%	0.83%	3.72%	3.42%	14.64%
Point-to-Point IRR - Specialized	3.96%	0.85%	(0.13%)	2.38%	7.26%
Since Inception IRR - Core	11.21%	11.03%	11.12%	11.19%	11.19%
Since Inception IRR - Specialized	1.72%	1.83%	1.69%	2.12%	2.12%

- The Portfolio generated \$160.4 million in net value during 2012; all four quarters produced net gains
- 76% of total partnerships in the Portfolio generated gains over the past year
- Decrease in market value during the past year is a result of strong distribution activity

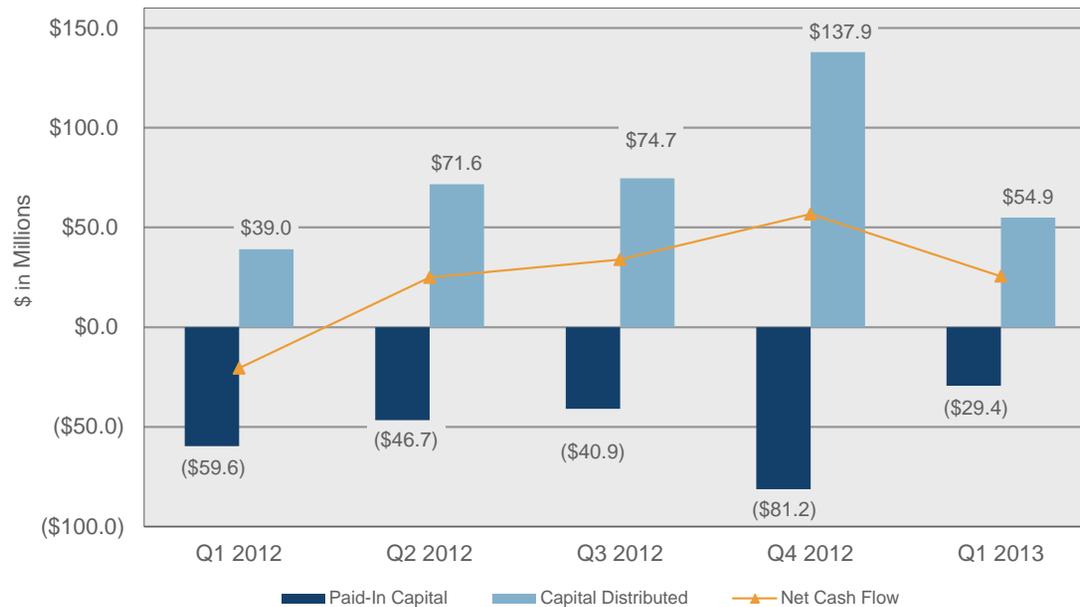
IRR Performance as of December 31, 2012*



- As of December 31, 2012, all Portfolios maintained positive performance across all time periods listed
- Both the Aggregate and Core Portfolios outperform the Russell 3000 + 300 bps benchmark over the 5-, 10-year and since inception time periods
- Specialized Portfolio has a slight negative impact to the return of the Aggregate Portfolio however, has generated positive performance across all time periods for the 4th consecutive quarter

* Benchmark return is calculated using a cash flow weighted approach assuming dollars invested and reinvested at the closing price of index

Net Portfolio Cash Flow Activity

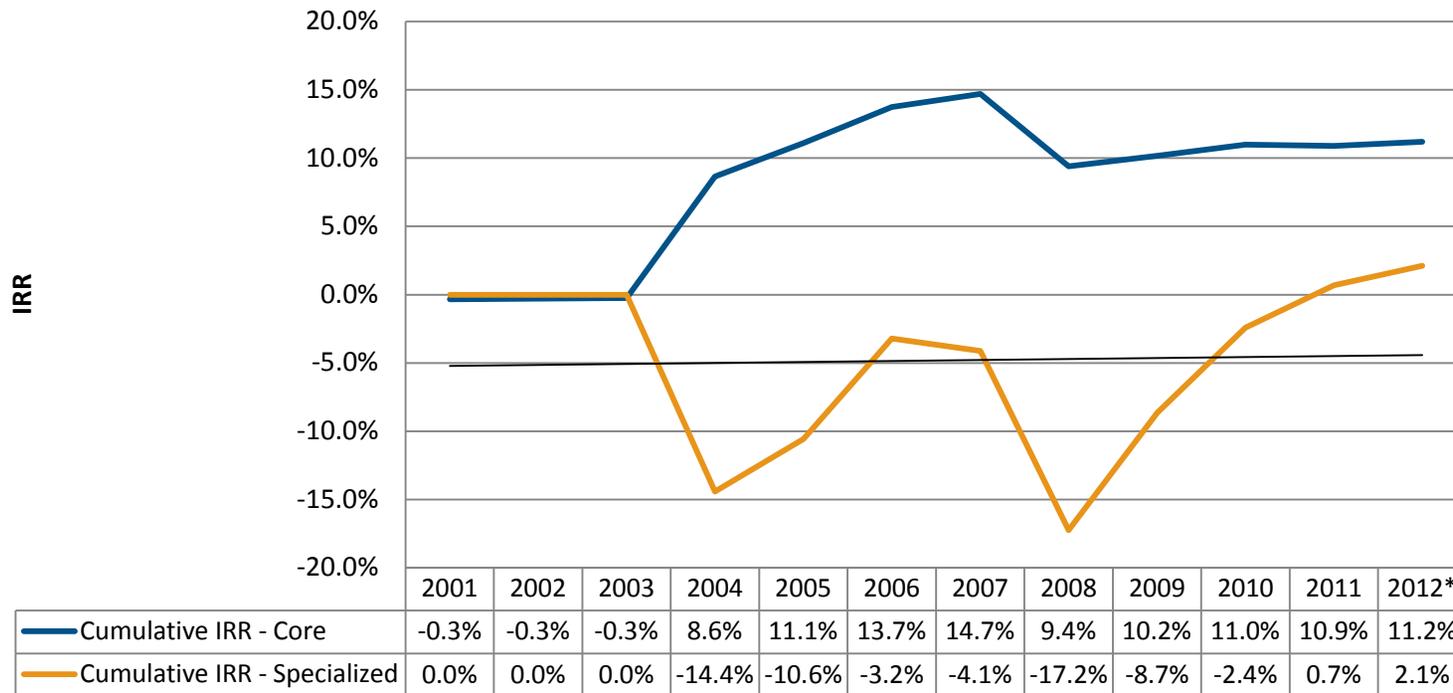


- Cash flow activity spiked in the 4th quarter of 2012 as contributions and distributions were the highest single quarter total in the Portfolio's history
- Net cash inflows of \$56.1 million resulted in the highest spread of distributions against contributions since inception
- Q1 cash flows scaled back consistent with the market
 - Portfolio remained cash flow positive with inflows of \$25.5 million

Top Five Performing Investments for the One Year Ending December 31, 2012					
Investment Name	Vintage Year	Net Value Change (\$ Millions)	% of Positive Change	Point-to-Point IRR	Since Inception IRR
Vista Equity Partners Fund III, L.P.	2007	\$11.3	6.2%	38.31%	30.47%
CVC European Equity Partners IV, L.P.	2005	8.9	4.9%	77.27%	16.85%
KKR 2006 Fund, L.P.	2006	6.3	3.5%	27.04%	7.47%
Apollo Investment Fund VII, L.P.	2008	5.1	2.8%	36.51%	23.06%
Advent International GPE VI-A, L.P.	2008	4.9	2.7%	30.07%	15.84%
Sub Total		\$36.5	20.2%	38.72%	17.36%

- All five funds have produced positive since inception returns, with four generating double digit returns
 - Vista is a top ten performer on a since inception IRR basis
- All partnerships listed with the exception of Vista, are classified as Mega/Large Buyout funds

LACERS' Performance As of Year End



*Performance as of 12/31/12

- Core Portfolio first generated positive returns in 2004 and continued to increase performance through 2007 growing the since inception IRR 610 bps
- GFC in 2008 saw performance decline; however current returns have increased 180 bps since
- After experiencing its trough in 2008, the Specialized Portfolio's since inception IRR has increased every year since, becoming positive in 2011



Appendix

Data as of December 31, 2012

Investment Name	Vintage Year	Investment Strategy	Capital Committed	Paid-In Capital	Capital Distributed ¹	Reported Market Value	Net IRR ²
Acon-Bastion Partners II, L.P.	2006	Corporate Finance/Buyout - Small	\$5,000,000	\$4,573,972	\$1,436,936	\$7,336,732	18.78%
Advent International GPE VI-A, L.P.	2008	Corporate Finance/Buyout - Mid	20,000,000	18,956,420	2,756,420	22,865,898	15.84%
Advent International GPE VII-B, L.P.	2012	Corporate Finance/Buyout - Large	30,000,000	4,545,000	-	4,332,757	(11.43%)
AION Capital Partners Ltd.	2012	Special Situations	20,000,000	-	-	-	N/A
Alchemy Investment Plan (LACERS)	1999	Corporate Finance/Buyout - Small	42,467,918	40,152,062	40,483,121	7,927,113	5.25%
American Securities Opportunities Fund II, L.P.	2010	Distressed Debt - Control	20,000,000	25,385,114	10,630,572	17,307,392	12.63%
Apollo Investment Fund IV, L.P.	1998	Corporate Finance/Buyout - Large	5,000,000	5,067,557	8,106,088	68,027	7.96%
Apollo Investment Fund VI, L.P.	2006	Corporate Finance/Buyout - Mega	15,000,000	18,103,485	9,330,869	15,016,761	8.20%
Apollo Investment Fund VII, L.P.	2008	Corporate Finance/Buyout - Mega	20,000,000	20,201,121	13,927,258	15,788,270	23.06%
Austin Ventures VII, L.P.	1999	Venture Capital - Multi-Stage (VC)	17,000,000	17,000,000	8,857,469	4,385,811	(3.53%)
Austin Ventures VIII, L.P.	2001	Venture Capital - Multi-Stage (VC)	8,300,000	8,822,844	5,450,500	6,160,614	4.52%
Avenue Europe Special Situations Fund II, L.P. (Euro)	2011	Distressed Debt - Non-Control	28,197,211	14,043,143	59,832	15,051,788	11.26%
Avenue Special Situations Fund IV, L.P.	2006	Distressed Debt - Non-Control	10,000,000	12,589,797	15,882,885	537,702	8.33%
Avenue Special Situations Fund V, L.P.	2007	Distressed Debt - Non-Control	10,000,000	10,000,000	12,720,421	500,775	11.12%
BC European Capital IX, L.P.	2011	Corporate Finance/Buyout - Mega	19,459,560	6,673,602	543,938	6,460,098	10.27%
Blackstone Capital Partners V, L.P.	2006	Corporate Finance/Buyout - Mega	20,000,000	20,429,631	3,857,470	18,639,770	2.30%
Blackstone Capital Partners VI, L.P.	2011	Corporate Finance/Buyout - Mega	20,000,000	4,371,727	61,387	4,602,116	8.64%
Blackstone Energy Partners, L.P.	2011	Corporate Finance/Buyout - Large	25,000,000	5,387,566	531,403	7,754,481	57.82%
Carlyle Partners IV, L.P.	2005	Corporate Finance/Buyout - Mega	20,000,000	20,301,944	20,660,868	14,563,834	11.82%
Carlyle Partners V, L.P.	2007	Corporate Finance/Buyout - Mega	30,000,000	26,128,008	12,002,501	21,563,011	10.40%
CGW Southeast Partners III, L.P.	1996	Corporate Finance/Buyout - Small	9,000,000	8,645,139	14,736,448	-	9.22%
CGW Southeast Partners IV, L.P.	1999	Corporate Finance/Buyout - Small	10,000,000	8,536,566	12,962,899	345,098	8.38%
Charterhouse Capital Partners IX, L.P.	2009	Corporate Finance/Buyout - Large	18,670,724	9,831,473	2,191,697	9,238,597	9.41%
Charterhouse Capital Partners VIII, L.P.	2006	Corporate Finance/Buyout - Large	21,919,366	19,121,841	3,092,038	14,233,884	(1.96%)
Chisholm Partners IV, L.P.	1999	Corporate Finance/Buyout - Small	9,000,000	8,831,515	9,191,616	142,203	0.67%
CHP III, L.P.	2007	Venture Capital - Early Stage	15,000,000	9,578,433	33,348	7,933,534	(6.49%)
CHS Private Equity V, L.P.	2005	Corporate Finance/Buyout - Mid	20,000,000	21,342,230	17,389,143	12,990,050	8.50%
Coller International Partners VI, L.P.	2012	Secondaries	25,000,000	5,793,776	111,000	7,397,883	47.23%
CVC European Equity Partners II, L.P.	1998	Corporate Finance/Buyout - Large	10,000,000	13,380,344	27,933,588	972,568	20.38%
CVC European Equity Partners III, L.P.	2001	Corporate Finance/Buyout - Large	15,000,000	14,474,207	37,499,827	3,641,220	41.08%
CVC European Equity Partners IV, L.P.	2005	Corporate Finance/Buyout - Mega	26,331,045	24,575,137	31,027,410	12,325,010	16.85%

Investment Name	Vintage Year	Investment Strategy	Capital Committed	Paid-In Capital	Capital Distributed ¹	Reported Market Value	Net IRR ²
CVC European Equity Partners V, L.P.	2008	Corporate Finance/Buyout - Mega	19,001,117	13,207,415	4,181,631	12,237,695	9.95%
CVC European Equity Partners, LP	1996	Corporate Finance/Buyout - Mid	10,000,000	9,753,529	24,358,828	644,412	23.18%
EnCap Energy Capital Fund IX, L.P.	2012	Corporate Finance/Buyout - Large	30,000,000	-	-	-	N/A
EnCap Energy Capital Fund VIII, L.P.	2011	Corporate Finance/Buyout - Large	15,000,000	6,580,887	1,851,367	5,699,329	20.87%
Energy Capital Partners II, L.P.	2009	Corporate Finance/Buyout - Large	20,000,000	12,374,068	3,474,591	11,499,277	15.31%
Enhanced Equity Fund II, L.P.	2010	Corporate Finance/Buyout - Small	10,000,000	4,707,473	136,401	4,871,553	5.07%
Enhanced Equity Fund, L.P.	2006	Corporate Finance/Buyout - Small	10,000,000	10,644,843	669,892	13,000,102	6.09%
Essex Woodlands Health Ventures Fund IV, L.P.	1998	Venture Capital - Early Stage	4,000,000	4,000,000	4,877,809	548,671	7.31%
Essex Woodlands Health Ventures Fund V, L.P.	2000	Venture Capital - Multi-Stage (VC)	10,000,000	10,000,000	10,396,425	3,817,031	7.48%
Essex Woodlands Health Ventures Fund VI, L.P.	2004	Venture Capital - Multi-Stage (VC)	15,000,000	14,212,500	6,221,698	8,126,325	0.18%
FIMI Opportunity V, L.P.	2012	Corporate Finance/Buyout - Small	20,000,000	1,373,362	-	1,341,000	(5.02%)
First Reserve Fund X, L.P.	2004	Corporate Finance/Buyout - Mid	20,000,000	20,000,000	32,285,879	4,088,119	31.64%
First Reserve Fund XI, L.P.	2006	Corporate Finance/Buyout - Mega	30,000,000	31,731,179	9,710,673	25,347,260	3.07%
First Reserve Fund XII, L.P.	2008	Corporate Finance/Buyout - Mega	25,000,000	21,126,564	2,349,316	20,405,766	3.16%
Golder, Thoma, Cressey & Rauner Fund V, LP	1997	Corporate Finance/Buyout - Mid	10,000,000	10,000,000	18,226,081	-	10.99%
Green Equity Investors V, L.P. ⁽³⁾	2007	Corporate Finance/Buyout - Large	20,000,000	20,588,507	11,780,921	17,926,878	17.79%
Green Equity Investors VI, L.P.	2012	Corporate Finance/Buyout - Large	20,000,000	1,864,829	50,826	1,854,336	2.73%
GTCR Fund IX, L.P.	2006	Corporate Finance/Buyout - Mid	15,000,000	13,907,987	6,318,236	12,726,664	10.84%
Golder, Thoma, Cressey & Rauner Fund VI, L.P.	1998	Corporate Finance/Buyout - Mid	10,000,000	10,000,000	8,645,950	77,852	(4.95%)
Golder, Thoma, Cressey & Rauner Fund VII, L.P.	2000	Corporate Finance/Buyout - Mid	18,750,000	18,609,375	43,792,961	78,236	21.84%
Golder, Thoma, Cressey & Rauner Fund VII-A, L.P.	2001	Corporate Finance/Buyout - Mid	6,250,000	4,140,625	11,538,800	24,951	83.04%
Golder, Thoma, Cressey & Rauner Fund VIII, L.P.	2003	Corporate Finance/Buyout - Mid	20,000,000	18,316,734	26,757,461	5,102,912	23.99%
Halifax Capital Partners II, L.P.	2006	Corporate Finance/Buyout - Small	10,000,000	9,245,450	5,752,714	8,465,380	16.72%
Hellman & Friedman Capital Partners V, L.P.	2004	Corporate Finance/Buyout - Large	11,000,000	9,822,893	18,694,392	5,586,856	27.49%
Hellman & Friedman Capital Partners VI, L.P.	2007	Corporate Finance/Buyout - Mega	20,000,000	19,214,822	12,615,287	11,892,054	7.03%
Hellman and Friedman Capital Partners VII, L.P.	2011	Corporate Finance/Buyout - Mega	20,000,000	5,860,333	555,503	4,822,628	(8.40%)
Highbridge Principal Strategies Senior Loan Fund II	2010	Special Situations	50,000,000	40,358,708	7,552,728	37,992,969	8.51%
Hony Capital Fund V, L.P.	2011	Corporate Finance/Buyout - Mid	25,000,000	3,861,436	-	3,372,058	(43.34%)
InterWest Partners VI, L.P.	1997	Venture Capital - Early Stage	5,000,000	5,000,000	14,812,746	47,830	48.89%
J.H. Whitney IV, L.P.	1999	Growth Equity	25,000,000	22,448,463	8,713,071	793,336	(11.52%)

Investment Name	Vintage Year	Investment Strategy	Capital Committed	Paid-In Capital	Capital Distributed ¹	Reported Market Value	Net IRR ²
J.H. Whitney VI, L.P.	2005	Corporate Finance/Buyout - Small	15,000,000	15,065,694	6,472,894	12,327,373	5.77%
J.H. Whitney VII, L.P.	2010	Corporate Finance/Buyout - Small	25,000,000	11,599,056	2,070,257	9,731,039	1.94%
Whitney V, L.P.	2001	Corporate Finance/Buyout - Mid	10,000,000	11,727,151	22,346,956	204,753	23.35%
Kelso Investment Associates VI, L.P.	1998	Corporate Finance/Buyout - Mid	5,000,000	4,309,418	5,982,794	-	9.31%
Kelso Investment Associates VII, L.P.	2004	Corporate Finance/Buyout - Mid	18,000,000	18,233,091	16,829,361	12,899,906	12.43%
Kelso Investment Associates VIII, L.P.	2007	Corporate Finance/Buyout - Large	20,000,000	14,712,539	1,605,573	13,245,837	0.59%
Khosla Ventures IV, L.P.	2011	Venture Capital - Early Stage	20,000,000	5,900,000	1,017,964	5,667,896	15.59%
KKR 1996 Fund, LP	1997	Corporate Finance/Buyout - Mega	25,000,000	26,292,271	46,937,174	-	13.18%
KKR 2006 Fund, L.P.	2006	Corporate Finance/Buyout - Mega	30,000,000	30,870,108	17,873,638	23,277,662	7.47%
KKR European Fund II, L.P.	2005	Corporate Finance/Buyout - Large	15,000,000	16,016,621	6,367,035	12,392,474	3.18%
Levine Leichtman Capital Partners III, L.P.	2003	Corporate Finance/Buyout - Small	20,000,000	21,826,730	18,235,272	12,017,280	10.27%
Levine Leichtman Capital Partners IV, L.P.	2008	Corporate Finance/Buyout - Mid	20,000,000	19,244,382	7,122,011	21,044,680	25.60%
Lindsay Goldberg & Bessemer II, L.P.	2006	Corporate Finance/Buyout - Large	20,000,000	18,230,393	11,212,184	15,363,901	9.15%
Lindsay Goldberg III, L.P.	2008	Corporate Finance/Buyout - Large	20,000,000	11,328,395	1,060,375	10,607,063	2.05%
Madison Dearborn Capital Partners III, L.P.	1999	Corporate Finance/Buyout - Large	16,000,000	16,028,469	24,379,573	36,101	8.57%
Madison Dearborn Capital Partners IV, L.P.	2000	Corporate Finance/Buyout - Large	25,000,000	25,266,319	36,614,527	8,541,369	13.86%
Menlo Ventures IX, L.P.	2001	Venture Capital - Multi-Stage (VC)	20,000,000	20,000,000	15,666,394	5,599,058	1.17%
Menlo Ventures VII, L.P.	1997	Venture Capital - Early Stage	5,000,000	5,000,000	23,552,033	-	135.80%
Menlo Ventures VIII, L.P.	1999	Venture Capital - Multi-Stage (VC)	18,000,000	18,000,000	6,279,994	1,666,987	(13.24%)
Nautic Partners V, L.P.	2000	Corporate Finance/Buyout - Mid	15,000,000	14,177,173	27,070,701	2,671,456	17.25%
New Enterprise Associates 13, L.P.	2009	Venture Capital - Multi-Stage (VC)	15,000,000	11,550,000	1,587,525	13,660,959	17.58%
New Mountain Partners III, L.P.	2007	Corporate Finance/Buyout - Large	20,000,000	18,783,220	4,865,691	17,470,450	8.94%
Newbridge Asia IV, L.P.	2005	Growth Equity	10,000,000	10,758,275	9,473,704	14,986,731	21.40%
Nordic Capital V, L.P.	2003	Corporate Finance/Buyout - Mid	15,791,182	15,903,189	32,548,516	10,829,037	21.26%
Oak Investment Partners XII, L.P.	2006	Growth Equity	15,000,000	14,352,071	3,884,629	12,816,368	4.11%
OCM Opportunities Fund II, L.P.	1997	Distressed Debt - Non-Control	11,000,000	11,000,000	16,619,202	1,044	8.44%
OCM Opportunities Fund III, L.P.	1999	Distressed Debt - Non-Control	10,000,000	10,500,000	15,366,380	110,882	11.91%
OCM Opportunities Fund IV, L.P.	2001	Distressed Debt - Non-Control	10,000,000	10,000,000	16,463,298	25,452	28.37%
OCM Opportunities Fund V, L.P.	2004	Distressed Debt - Non-Control	7,100,000	7,100,000	10,560,505	933,570	14.18%
OCM Opportunities Fund VII, L.P.	2007	Distressed Debt - Non-Control	10,000,000	10,000,000	9,502,850	4,115,057	8.11%

Investment Name	Vintage Year	Investment Strategy	Capital Committed	Paid-In Capital	Capital Distributed ¹	Reported Market Value	Net IRR ²
OCM Opportunities Fund VII-B, L.P.	2008	Distressed Debt - Non-Control	10,000,000	9,000,000	11,273,280	3,969,003	17.99%
OCM Opportunities Fund, LP	1995	Distressed Debt - Non-Control	11,000,000	11,002,050	18,030,431	-	10.30%
Olympus Growth Fund IV, L.P.	2003	Corporate Finance/Buyout - Small	7,700,000	7,480,484	7,107,527	4,222,168	9.18%
Onex Partners, L.P.	2003	Corporate Finance/Buyout - Mid	20,000,000	18,892,697	41,989,373	9,999,228	38.79%
Permira Europe III, L.P.	2003	Corporate Finance/Buyout - Large	24,954,498	24,954,498	33,127,018	6,814,237	27.46%
Permira Europe IV, L.P.	2006	Corporate Finance/Buyout - Mega	15,085,034	15,312,016	6,419,455	12,066,007	5.53%
Pharos Capital Partners II-A, L.P.	2005	Corporate Finance/Buyout - Small	5,000,000	4,800,000	2,194,399	4,995,882	10.08%
Platinum Equity Capital Partners III, L.P.	2012	Corporate Finance/Buyout - Large	25,000,000	10,519,966	202,525	9,612,246	(7.39%)
Polaris Venture Partners V, L.P.	2006	Venture Capital - Multi-Stage (VC)	15,000,000	12,900,000	6,165,652	12,356,798	10.45%
Polaris Venture Partners VI, L.P.	2011	Venture Capital - Multi-Stage (VC)	15,000,000	2,550,000	-	4,024,120	103.42%
Providence Equity Partners V, L.P. ⁽⁴⁾	2005	Corporate Finance/Buyout - Large	18,000,000	18,403,014	13,704,591	7,597,726	2.82%
Providence Equity Partners VI, L.P. ⁽⁴⁾	2007	Corporate Finance/Buyout - Mega	30,000,000	31,203,071	8,786,087	27,305,913	4.77%
Providence TMT Debt Opportunity Fund II, L.P.	2010	Distressed Debt - Control	20,000,000	18,184,976	1,343,114	20,056,302	11.98%
Resolute Fund, L.P.	2002	Corporate Finance/Buyout - Mid	20,000,000	19,392,224	32,730,598	10,004,736	16.40%
Richland Ventures III, L.P.	1999	Venture Capital - Late Stage	18,000,000	18,000,000	15,236,565	24,732	(3.02%)
Spark Capital II, L.P.	2008	Venture Capital - Early Stage	9,750,000	8,560,500	7,895,499	14,570,631	50.31%
Spark Capital III, L.P.	2011	Venture Capital - Early Stage	10,000,000	4,525,000	-	3,817,220	(17.77%)
Spark Capital, L.P.	2005	Venture Capital - Early Stage	9,000,000	8,730,000	5,594,903	5,637,847	7.21%
SSG Capital Partners II, L.P.	2012	Distressed Debt - Multi-Strategy	15,914,286	7,672,718	1,434,146	6,300,478	0.96%
TA X, L.P.	2006	Growth Equity	6,000,000	6,233,375	3,593,375	3,377,693	3.09%
TA XI, L.P.	2010	Growth Equity	20,000,000	9,450,000	500,000	10,290,320	10.41%
TCV V, L.P.	2004	Venture Capital - Multi-Stage (VC)	19,500,000	19,259,200	19,905,405	9,645,188	9.68%
TCV VII, L.P.	2008	Growth Equity	20,000,000	16,732,000	1,890,984	16,691,419	5.69%
TCW/Crescent Mezzanine Partners IV, L.P.	2006	Mezzanine	10,000,000	10,431,829	8,951,828	4,006,842	5.93%
TCW/Crescent Mezzanine Partners V, L.P.	2008	Mezzanine	10,000,000	9,204,428	3,445,095	7,772,842	10.75%
Thoma Cressey Fund VI, L.P.	1998	Corporate Finance/Buyout - Small	5,000,000	4,909,444	4,449,294	594,983	0.33%
Thomas H. Lee Equity Fund IV, L.P.	1998	Corporate Finance/Buyout - Large	7,000,000	6,314,965	5,484,109	-	(2.61%)
Thomas H. Lee Equity Fund V, L.P.	2001	Corporate Finance/Buyout - Large	15,000,000	15,686,484	22,922,726	2,268,207	13.24%
TPG Growth II, L.P.	2011	Corporate Finance/Buyout - Mid	30,000,000	4,196,842	3,557	3,482,003	(30.94%)
TPG Partners III, L.P.	2000	Corporate Finance/Buyout - Large	25,000,000	22,870,855	52,523,225	3,226,063	24.49%

Investment Name	Vintage Year	Investment Strategy	Capital Committed	Paid-In Capital	Capital Distributed ¹	Reported Market Value	Net IRR ²
TPG Partners IV, L.P.	2003	Corporate Finance/Buyout - Large	25,000,000	27,320,962	33,564,873	13,768,025	14.94%
TPG Partners V, L.P.	2006	Corporate Finance/Buyout - Mega	30,000,000	30,866,817	9,957,275	18,449,544	(2.09%)
TPG Partners VI, L.P.	2008	Corporate Finance/Buyout - Mega	22,500,000	17,171,341	3,715,272	15,796,000	6.97%
TPG STAR, L.P.	2007	Corporate Finance/Buyout - Mid	20,000,000	18,428,425	11,324,145	16,091,038	14.06%
Trident Capital Fund V, L.P.	2000	Venture Capital - Multi-Stage (VC)	10,587,999	10,571,391	9,313,312	5,849,193	6.93%
Trident Capital Fund V, L.P. - Secondary	1999	Venture Capital - Multi-Stage (VC)	3,781,680	3,375,305	3,305,352	2,089,130	11.18%
Trident Capital Fund VI, L.P.	2004	Venture Capital - Multi-Stage (VC)	8,500,000	8,500,000	1,997,587	6,503,393	0.00%
VantagePoint Venture Partners IV, L.P.	2000	Venture Capital - Multi-Stage (VC)	15,000,000	15,000,000	6,995,764	6,559,340	(1.65%)
Vestar Capital Partners IV, L.P.	2000	Corporate Finance/Buyout - Large	17,000,000	16,591,947	25,799,891	3,144,640	13.50%
Vista Equity Partners Fund III, L.P.	2007	Corporate Finance/Buyout - Mid	25,000,000	23,861,640	33,780,815	22,807,236	30.47%
Vista Equity Partners IV, L.P.	2011	Corporate Finance/Buyout - Mid	30,000,000	10,656,205	39,231	10,941,432	3.72%
Welsh, Carson, Anderson & Stowe IX, L.P.	2000	Corporate Finance/Buyout - Large	15,000,000	14,850,000	20,131,337	4,029,216	11.34%
Welsh, Carson, Anderson & Stowe VII, LP	1995	Corporate Finance/Buyout - Large	15,000,000	15,000,000	32,633,357	-	17.70%
Welsh, Carson, Anderson & Stowe VIII, L.P.	1998	Corporate Finance/Buyout - Large	15,000,000	14,984,405	19,209,036	78,556	3.11%
Weston Presidio Capital IV, L.P.	2000	Growth Equity	15,000,000	14,888,006	15,312,138	1,381,056	2.23%
Weston Presidio Capital IV, L.P. - Secondary	1999	Venture Capital - Multi-Stage (VC)	2,826,000	2,796,519	3,047,200	279,931	4.11%
Yucaipa American Alliance Fund II, L.P.	2008	Corporate Finance/Buyout - Mid	20,000,000	24,070,071	10,410,120	25,170,310	19.06%
Total Portfolio:			\$2,332,337,620	\$1,889,875,871	\$1,616,801,619	\$1,102,387,736	11.19%

⁽¹⁾ Capital distributed includes recallable returns of capital, which will increase the unfunded commitment.

⁽²⁾ The IRR net of Hamilton Lane fees is 11.10%.

⁽³⁾ The ratios and performance information (including but not limited to the cash-on-cash return, the investment multiple and the internal rate of return) have been calculated by HLA as LACERS's advisor.

⁽⁴⁾ The data presented for Providence Equity Partners V, L.P. and Providence Equity Partners VI, L.P. is confidential and must be kept confidential except to the extent that disclosure is required by law. This information (a) does not necessarily accurately reflect the current or expected future performance of the Partnership.

⁽⁵⁾ The aggregate IRR of partnerships within both the LACERS Core and Specialized Portfolio is 10.70%.

⁽⁶⁾ The aggregate IRR of partnerships within the LACERS specialized portfolio is 2.12%.

Investment Name	Vintage Year	Investment Strategy	Focus	Capital Committed	Paid-In Capital	Capital Distributed ²	Reported Market Value	Net IRR
Angeleno Investors III, L.P.	2010	Venture Capital	Energy /Clean Tech	\$10,000,000	\$2,980,000	\$729	\$3,311,247	8.50%
Ares Distressed Securities Fund, L.P.	2007	Distressed Debt	Distressed Debt	10,000,000	10,171,330	6,412,976	8,480,023	10.29%
Carpenter Community BancFund-A, L.P.	2008	Growth Equity	Community Banks	10,000,000	9,079,047	116,611	11,052,811	7.52%
Craton Equity Investors I, L.P.	2007	Growth Equity	CleanTech	10,000,000	10,091,789	420,230	7,688,737	(7.92%)
DFJ Element I, L.P.	2006	Venture Capital	CleanTech	8,000,000	7,330,106	-	5,047,518	(7.87%)
DFJ Element II, L.P.	2007	Venture Capital	Underserved California	10,000,000	5,332,827	1,631	6,168,886	6.33%
DFJ Frontier Fund II, L.P.	2007	Venture Capital	CleanTech	5,000,000	4,006,113	385,117	4,958,553	10.94%
NGEN II, L.P.	2006	Venture Capital	CleanTech: Materials	8,000,000	7,805,836	438,789	272,730	(75.41%)
NGEN III, L.P.	2008	Venture Capital	CleanTech: Materials	10,000,000	6,090,241	554,825	4,908,108	(4.91%)
Nogales Investors Fund II, L.P.	2006	Corporate Finance/Buyout	Lower Middle Market	10,000,000	3,590,486	158,632	3,912,681	3.66%
Palladium Equity Partners III, L.P.	2004	Corporate Finance/Buyout	Hispanic-oriented	10,000,000	13,910,025	10,564,519	9,140,786	12.73%
Reliant Equity Partners, L.P. ⁽¹⁾⁽²⁾	2004	Corporate Finance/Buyout	Minority Focused	8,008,449	8,113,728	161,051	115,429	(48.52%)
Rustic Canyon/Fontis Partners, L.P.	2006	Growth Equity	Underserved Markets	5,000,000	3,716,824	858,880	2,291,772	(4.48%)
Saybrook Corporate Opportunity Fund, L.P. ⁽¹⁾	2007	Distressed Debt	Distressed Debt	6,192,813	6,313,095	4,613,185	3,335,615	14.94%
Sector Performance Fund, L.P.	2007	Corporate Finance/Buyout	Energy, Food, and Media	10,000,000	11,799,542	1,947,638	8,435,063	(4.13%)
Spire Capital II, L.P.	2007	Corporate Finance/Buyout	BIMC Sectors	10,000,000	7,708,036	3,919,057	6,417,537	9.39%
St. Cloud Capital Partners II, L.P.	2008	Mezzanine	Lower Middle Market	5,000,000	5,015,325	2,526,019	2,870,568	3.49%
StarVest Partners II, L.P.	2007	Venture Capital	Later Stage	5,000,000	3,414,752	98,086	2,672,642	(9.46%)
Stepstone Pioneer Capital I, L.P.	2004	Diversified FoF	Small end of market	10,000,000	10,443,082	6,395,349	6,785,144	6.13%
Stepstone Pioneer Capital II, L.P.	2007	Diversified FoF	Small end of market	10,000,000	9,352,670	2,431,463	7,887,400	2.74%
Sterling Venture Partners II, L.P.	2005	Venture Capital	Expansion Stage	8,000,000	8,006,256	3,857,892	8,944,366	10.45%
Vicente Capital Partners GEF, L.P.	2007	Growth Equity	Later Stage	10,000,000	6,724,129	344,152	8,559,733	12.55%
Yucaipa American Alliance Fund I, L.P.	2005	Corporate Finance/Buyout	Upper-Middle Market	10,000,000	11,692,929	7,678,948	7,681,512	9.02%
Specialized Portfolio:				\$198,201,262	\$172,688,166	\$53,885,776	\$130,938,861	2.12%

⁽¹⁾ The December 31, 2012 financial statement for this investment was not available from the general partner at the time of completion of this report. The reported market value listed has been provided by Northern Trust.

⁽²⁾ Capital distributed includes recallable returns of capital, which will increase the unfunded commitment.

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